

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 504 - HB 529

March 3, 2011

SUMMARY OF BILL: Adds six synthetic derivatives of methcathinone to the list of Schedule I controlled substances.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$501,300/Incarceration*

Assumptions:

- Currently, it is a Class B felony offense for a person to knowingly manufacture, deliver, or sell or to possess with the intent to manufacture, deliver, sell a Schedule I controlled substance. The potential sentence for a Class B felony ranges from eight to thirty years along with a fine up to \$100,000. Simple possession of a Schedule I controlled substance is a Class A misdemeanor.
- Pursuant to Tenn. Code Ann. § 39-17-417(k), if the recipient or intended recipient of the controlled substance is under 18 years of age, or if the offender is designated as a habitual drug offender, the offense is punishable as a Class A felony.
- According to the Department of Correction (DOC), there has been an average of 38 admissions for Schedule I drug offenses in each of the past 10 years. DOC estimates there will be a 10 percent (4) increase in admissions as a result of this bill.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. No significant incarceration cost increase will occur due to population growth in this period. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on four additional offenders in the tenth year.
- According to DOC, the average operating cost per offender per day for calendar year 2011 is \$60.62. The average post-conviction time served for a Class B felony is 5.66 years (2,067.32 days) at a cost of \$125,320.94 (\$60.62 x 2,067.32 days). The total additional operating cost for four offenders is \$501,283.76 (\$125,320.94 x 4).
- According to the District Attorneys General Conference, the parent drug methcathinone is currently listed as a Schedule I controlled substance; therefore, the addition of the synthetic derivatives will not result in a significant impact on current case loads.
- Any additional cost can be accommodated within existing judicial resources without an increased appropriation or reduced reversion.

- Based on the Fiscal Review Committee's 2008 study of incarceration costs and fines, collection of fines for felony offenses is negligible. There will not be a significant increase in revenue as a result of this bill.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/lsc